



## **TEXAS GENERAL LAND OFFICE**

### **DISASTER RECOVERY PROGRAM**

#### **PROGRAM REVENUE REPORTING BEST PRACTICES – FOR COMMUNITIES WITH STORM SHELTERS AND SIMILAR PROJECTS BUILT WITH CDBG FUNDS.**

Any revenue generated by CDBG-DR projects must be reported by grantees/subrecipients to the Land Office. All grantees/subrecipients who have projects that either generate revenue, or have the potential to generate revenue are responsible for tracking and reporting program revenue.

#### Best Practices:

- Each grantee/subrecipient should establish Standard Operating Procedures that outline the processes and internal controls in place to track program revenue.
- Grantees should upload to T-RecS copies of all SOPs related to program revenue tracking.
- Grantees/subrecipients should maintain a separate ledger for the shelter.
- Expenses incurred for the operation and maintenance of the shelter should be coded to clearly identifiable line items in the ledger as they have the potential to offset program revenue earned. Grantees/subrecipients should request vendors invoice for shelter expenses apart from other community related expenses. .
- In cases where only a portion of the shelter was funded by CDBG funds, the grantee/subrecipient should clearly document the process for prorating the program revenues/expenses based on the percentage that CDBG funds represent of the total funds used.
- Grantees/subrecipients should utilize an event log to track public use of the shelter that details event number, event date, event description, customer name, customer contact information, rental fees charged, and rental expenses incurred. The information on the log should be referenced to the separate ledger maintained for the shelter.
- Grantees/subrecipients should document and assign responsibilities for all financial aspects of the shelter, including the following:
  - Designate a person(s) who accepts all money paid to the shelter
  - Define where money is stored, and how often and where it is deposited
  - Deposit money into a separate account just for the shelter
  - Issue receipts to all payers for each payment made to the shelter, and retain copies of these receipts
  - Define responsibility and the procedure for reconciling the bank account where revenue is deposited
  - Include interest earned on any deposited funds as program revenue on program revenue report.
  - Restrict use of money in shelter account to continuing shelter activities.
  - Designate a person to report program revenue for the community to the Land Office.